

NHS Shetland

Meeting:	Shetland NHS Board
Meeting date:	23 September 2025
Agenda reference:	Board Paper 2025/26/33
Title:	Finance and Performance Committee Terms of Reference Amendment
Responsible Executive/Non-Executive:	Colin Marsland, Director of Finance
Report Author:	Carolyn Hand, Corporate Services Manager

1 Purpose

This is presented to the Board/Committee for:

- Decision

This report relates to:

- Board's Governance Structure

This aligns to the following NHS Scotland quality ambitions:

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

To ensure meetings are quorate, the Finance and Performance Committee's Terms of Reference need to be amended to allow the Board Chair to appoint an alternative Non-Executive Substitute to a specific meeting if the named substitute is unavailable.

2.2 Background

Finance and Performance Committee members must be appointed by the Board, as a matter reserved for the Board in its Standing Orders.

Finance and Performance Committee members were appointed by Board in November 2024. A recent review of the Terms of Reference for the Finance and Performance Committee made no change to the stated membership requirement, with this comprising three Non-Executive Board members and one substitute Non-Executive Board Member.

2.3 Assessment

All Standing Committees are advised to consider incorporating the following amendment to Terms of Reference regarding membership:

In instances where a named substitute is unavailable to maintain meeting quoracy, the Board Chair shall appoint an alternative substitute to the committee on a one-off basis.

Terms of Reference need to be agreed by Committee prior to Board approval.

2.3.1 Quality/ Patient Care

Assists in the Board's governance to ensure locally quality of care.

2.3.2 Workforce

Assists in the Board's governance to ensure staff resources, health and wellbeing are appropriate.

2.3.3 Financial

Ensures effective governance is in place to ensure best value of resources.

2.3.4 Risk Assessment/Management

Ensures effective governance is in place to ensure relevant risk assessment and mitigations are in place.

2.3.5 Equality and Diversity, including health inequalities

Ensures effective governance is in place to support the Public Sector Equality Duty, Fairer Scotland Duty, and the Board's Equalities Outcomes. An impact assessment has not been completed.

2.3.6 Other impacts

No other material issues.

2.3.7 Communication, involvement, engagement and consultation

The Board has not carried out any involvement and engagement with external stakeholders in respect of this paper.

2.3.8 Route to the Meeting

The Finance and Performance Committee reviewed and agreed the terms of reference on 25 February 2025.

2.4 Recommendation

- **Decision** – Members are asked to agree the proposed changes to the terms of reference and confirm position in respect to the responsibility for reviewing the draft annual accounts narrative.